# Beyond TEA - 21 Federal Transportation Legislation What's Going to Happen?

Carla Berroyer
Wilbur Smith Associates
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### A Big Year for Transportation

- TEA-21 expires
- Aviation Programs need to be reauthorized
- AMTRAK in trouble
- What is SEA-21?





### A Little History ---

#### Highway Trust Fund

- 18.4 cents per gallon gasoline
- 24.4 cents per gallon diesel fuel
- Yield: \$33 \$34 billion
- Highways/Transit roughly 80/20 split



# Budget – Crux of the Problem

- "Firewalls" are not enough
- Pressure to reduce transportation spending
- Over \$4 billion at stake in FY 2003



# The FY 2003 Appropriations Debacle

- 10 Appropriations bills not enacted
- Congressional Budget Office (CBO) reports bad news
- House / Senate are over \$4 B apart on highways alone
- White House says "make cuts"



#### **TEA – 3 Conventional Wisdom**

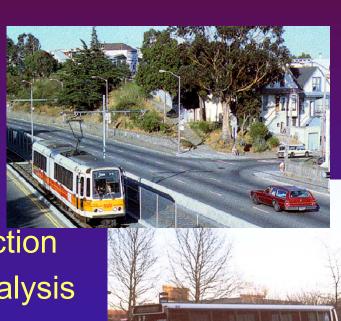
- No major changes
- Funding the key issue
- Maintain "Firewalls"
- Continue RABA (Revenue Aligned Budget Authority)
- Enhanced flexibility
- Study motor fuel tax
- Environmental programs likely to stay



#### **How About TRANSIT?**

- Funding will also dominate debate
- Key Issue: New Starts
  - New Starts pipeline getting overwhelmed
  - 51 Rail projects in PE
  - \$20 billion needed for construction
  - 100 projects in alternatives analysis





# Where is the Administration Bill?



### NO NEW TAXES

- Six-year authorization
- No major programmatic changes
- Funding not likely to exceed TEA 21 levels
- Increased matching requirements for New Starts – 50/50
- Some environmental streamlining



#### Other TEA - 3 Issues --

- Financing several proposals (AASHTO, APTA & ARTBA)
- Chairman Young 2 cents per year
- An economic stimulus package?



#### **Second Tier Issues --**

- Environmental streamlining
- CMAQ
- Minimum Guarantee
- Accountability



#### **How Will Louisiana Fare?**

- Louisiana was a TEA 21 "winner"
  - 12 th largest increase in funding share
  - Average annual highway apportionment:
    - ISTEA: \$264 million
    - TEA 21: \$416 million
- New formula changes may not help
- "High Priority" Projects will be important



#### **Will AIR - 21 Fly??**

- Key issue: SECURITY
- Former key issue: Funding
  - Spending down the Airport and Airways Trust Fund
- Other issues:
  - Duration How about 6 years?
  - Streamlining Airports want it too
  - Major hubs More for the "biggies"
  - Passenger facility charges Some tinkering with provisions





#### Whatever will they do with AMTRAK?

- AMTRAK Review Council (ARC): DO NOT PASS GO
  - New federal oversight agency
  - Government Infrastructure Corporation for NE Corridor
  - Train Operations agency
- Chairman Hollings to the rescue:
  - 6 Eliminate self-sufficiency mandate
  - 6 Pile on the subsidies





#### Will the Trains Keep Running?

- House Appropriators shoot down Senate's
- \$1.2 billion mark say \$762 million will do
- White House says \$521 million is enough

"Rough ride ahead for Amtrak'





#### Can SEA-21 Sail?

#### It has many lofty goals

- ✓ Add capacity
- ✓ Address national security
- ✓ Provide congestion relief
- ✓ Improve system integration
- ✓ Improve MTS safety
- ✓ Address MTS environmental issues
- ✓ Assure a highly skilled workforce





# MTSNAC – Marine Transportation System

#### **National Advisory Council**

Key Stakeholders:

- Commercial transportation firms
- Trade associations
- State and local entities
- Recreational boating interests
- Academics
- Environmental groups



#### Why Do We Need SEA-21?

- Trade and cargo are increasing dramatically
- Bigger ships require bigger channels
- Ports need economic and environmental

balance



## Can We Read the TEA - LEAVES?





### Louisiana Statewide Transportation Plan Update

### Questions?

